

are needed to protect the rights of millions of Americans while fighting terrorism.

That is why I will be offering an amendment on the spending bill to limit the scope of the office. That amendment will not prevent those in the administration who support the program to come back at a later date and show why additional threats warrant additional action.

It will ensure that as this program is developed in its early days it is done in a fashion that is sensitive, with constitutional protections and safeguards, while still ensuring that our Nation can fight terrorism.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

EXTENSION OF MORNING BUSINESS

Mr. BURNS. I ask unanimous consent that the period for morning business be extended until 1:30 p.m., with the time equally divided, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

UPCOMING AGENDA

Mr. BURNS. Mr. President, this morning we are continuing to negotiate the reorganization of the responsibilities in this Senate. Those folks who observe the Senate and the goings on on the floor probably think there is not a whole lot going on, but it is kind of like a duck. He looks pretty calm and serene on top of the water, but under the water there is a lot of paddling going on.

As we work our way through this, it is hopeful we will come up with some kind of an agreement in the near future.

That being said, this morning we announced our agenda for the upcoming session as far as the Subcommittee on Telecommunications. I will share with my colleagues how these issues will rank and their importance. Last year, we passed a "can spam" bill out of committee. The bill came to the floor at the tail end of the session and was up for consideration in a package with a lot of other legislation, but it did not make it. It is broadly supported by this body. There is a similar bill in the House of Representatives which has to do with spam.

Spam is the unwanted mail that one gets in e-mail. Whenever one clicks on their e-mail, they see a lot of unwanted messages that are selling everything from shoelaces to whatever. This unwanted mail continues not only to plague our system and clog it, but in rural areas, especially like my State of Montana where some Internet users actually have to pay long distance fees to their server, it becomes quite expensive. In fact, American business is reporting that the cost of spam right now is going out of sight.

Before Christmas of last year, it was thought that around 8 percent of the mail a person received in their Internet was unwanted mail or spam. By December of 2002, just before Christmas, that figure grew to 40 percent of the mail a person found in their mailbox was unwanted. Another figure that sort of astounds all of us, it was estimated the average user of the Internet receives 2,300 pieces of unwanted mail in their mailbox.

Spam messages sent increased nearly 300 percent between the years of 2001 and 2002. This tells me it is time we pass this legislation and get it to the desk of the President. Junk mail sent will outpace other e-mail by at least the middle of this year, and 80 percent of the people online now say they find spamming very annoying.

That being said, we must pass this legislation. It is the first agenda item on my priority list, and we can do it.

I also remind Members, there are a couple of important meetings coming up this month and next that have to do with the Internet. February 12 is the Internet caucus. It is probably the most active caucus we have in the Senate. I am being told now some folks want to set up demonstrating units and vendors have to be turned away. That will be held in 902 of the Hart Building on February 12, starting at 5 p.m. It will be highly attended. I think we had a larger number of people at the planning meeting the other day than was anticipated, so there is quite a lot of interest in that.

The U.S. Asian Network kickoff will be January 27. Of course, that is just prior to the President's State of the Union Message that will be on January 28.

The head of the ruling party, Mr. Hyun of South Korea, will be there. He is part of that network. This was founded about a year ago to bring together the countries in the Pacific Rim and the Far East, because we feel the free flow of communications and technologies is a key to stability in the Far East. We are in this situation now with North Korea, and we feel the free flow of information and those technologies will somewhat diffuse that if people are informed. It will also address key areas such as privacy and copyright. All of those issues are very important to the communications industry.

A new caucus that was formed last year was the E-911 caucus. E-911 is enhanced 911, which is legislation that passed 2 or 3 years ago and was signed by President Clinton. I sponsored that bill, which was probably one of the better public safety bills we passed in Congress.

When a person has an emergency and dials 911 from their home, from a wired line, the one who fields that call has an immediate trace on that call and they know exactly where the person is when they report an emergency.

In the early days—and when I say early days, let's say around 1996 or so—if someone was a cellular phone user,

using wireless communications, they could dial 911 and the person at 911 who received the call really did not know where to go. A person was liable to get the 600 Cafe in Miles City, MT, and they might be in southern California. It just did not know where to take someone who called 911.

We have dealt with that issue, making 911 the national emergency number, No. 1. No. 2, we want to put in place those technologies that when a person dials 911 from their cellular phone, they have the ability to be located.

In my State of Montana, under certain emergency conditions, we lose lives because we have to deal with distances, and also we do not know where a person is located. To give an example of that, there was a man involved in an automobile accident. He was south of Missoula, MT, which is over in the western part of the State, in the Bitterroot Valley. When he dialed 911, his call came into a communications center. When they asked him where he was, he said he was south of town. The operator, we are happy to say, said: What town? He says, Missoula.

Well, he had the operator in Miles City, and those two cities are 400 miles apart.

So working with Senator CLINTON of New York, the cochair of the E-911 caucus, we will have our first meeting on February 24. Any Member wanting to join that caucus because of their interest in 911, please join us to get this technology in place because it is superb legislation that helps us in our public safety.

This year, Members can also look for the debate to start on spectrum reform: How we handle our spectrum, how we allocate it, how we regulate it. It has been a long time since we have looked at spectrum allocation and management. There has been an agreement now between the Consumer Electronics Association and the television people that will advance or accelerate the deployment of high-definition television, or digital television, in the home. It was an industry problem they had to face. They faced it. The standards are now set in the private sector. The "plug in and play," as they call it, of buying a digital television, plugging into the cable, and it works, and the customer will have digital television or high-definition television immediately should bring down the cost to the consumers as more and more digital televisions are offered.

We will have spectrum returned to the Government for reallocation. How we handle that spectrum, how we manage it, will be very important. There are a couple of studies completed and one more to complete. Mark my word, this will be an issue of high debate, although it will not be a front-page issue.

Yesterday, Senator BAUCUS, my colleague from Montana, and I introduced a new broadband bill. Last year, I was privileged to work with Senator ROCKEFELLER on the Commerce Committee as he had written a bill giving

tax credit to those entities wanting to build out broadband technology, even in rural areas. In that bill, we used tax credit as an incentive. This differs a bit. I appreciate the efforts of my colleague from Montana in his position on the Finance Committee. This allows 50 percent expensing on the buildout expenses the first year and then would be spread over the full years of depreciation the 50 percent balance. In other words, all investments in the buildout of broadband technology can be expensed.

I urge my colleagues to look at this piece of legislation as it moves through the Congress. It is the key of the deployment of broadband technologies to every corner of the United States and availability to all consumers.

In rural areas, we are doing things differently in two different categories. One of them is rural health. Broadband technology becomes very important. In fact, it is the cornerstone of telemedicine and how we serve our aging population in rural areas. I have 13 or 14 counties that have no doctors at all. They are being administered to by physician assistants and nurses. The ability of telemedicine to diagnose and to serve those people in rural areas becomes very important.

Also, in the area of education is distance learning. A small school located on the prairies of eastern Montana should have the same learning opportunities as young people attending schools in a more urbanized area. Also, in the inner city where tax bases have been eroded, the quality of school has slipped, those young people attending school should be afforded the same learning opportunities.

We must look at ICANN, the organization that assigns names and areas of the Internet. That has to be reformed. I heard when I was home over the holidays about wireless privacy. By 2005, it is estimated there will be over 250 million users of cellular telephones. Not only does this cause a backbreaking demand for spectrum, but it cries for privacy. Now there are scanners being developed with which people can eavesdrop on your telephone conversation from a wireless phone. That is unacceptable. It is unacceptable to the American people and to me.

Regarding online privacy, we worked closely with Senator HOLLINGS in his privacy bill which we passed out of committee. It should be passed by this body.

Last but not least, we should look at universal service and reform. Universal service is that pot of money that allows companies to put telephones and communication devices into areas where they have very high expenses. It should be known to the consumer and also to the ratepayer how this is done. We also know that the fund is going down because of collections. I support strongly universal service. Of course it needs reforming. That will be on our agenda as we move through the year.

That should bring my colleagues up on our agenda in the Commerce Com-

mittee. I am happy to say the Presiding Officer has been instrumental in moving good communications legislation in the House. We welcome him to the Senate. We also welcome him to the Commerce Committee. I hope he will take a look at the Subcommittee on Communications. His talents will be beneficial to that committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

THE STIMULUS PACKAGE

Mr. NICKLES. Mr. President, I compliment my friend and colleague from Montana for his remarks about different things we can do to help the economy, including communications. Too many times when we in this body talk about impacting the economy, we are only talking about spending and revenues. We need to have broader vision, including telecommunications, including some areas that are suffocating the economy, such as asbestos litigation, such as liability for health care providers, whether that be doctors or hospitals. Those things handicap or in some cases greatly increase costs and cost a lot of jobs.

I will make a couple of comments concerning fiscal policy. Some colleagues on the Democrat side of the aisle have alluded to it and given their information. I will throw out a few facts. I have heard repeatedly that the President's economic growth package will only benefit a few. I disagree with that. If you happen to be married, if you happen to have any kids, they benefit very substantially. As a matter of fact, the President's proposals dealing with the growth package benefit families very well. He accelerates the per-child tax credit which we passed a couple of years ago and is now \$600 and makes that \$1,000.

In my family, we had four kids. They are grown, so I will not benefit from it. But if a young family has four kids, that is \$4,000 on which they do not have to pay taxes. That is a \$4,000 tax credit. Let me rephrase that. They not only do not have to pay taxes on it, they get a tax credit. If their tax liability is \$4,000, they pay no taxes, no Federal income taxes. That is pretty generous. That is pretty good. That is very profamily. And the President is trying to accelerate that. His acceleration is an additional \$400 per child. With four children, that is an additional \$1,600 a year in Federal income taxes that family, that couple, will not have to pay. They can use that money for their kids' education and other expenses—medical or whatever. They have that choice; they can decide how to spend it.

Also, if it happens to be a family, the President is moving basically to eliminate the marriage penalty. By doing that, he doubles the amount of the 15-percent bracket. That is a big, positive advantage for a married couple. If they have combined incomes up to about \$50,000 or so, they will be in the 15-per-

cent tax bracket instead of the 27-percent tax bracket. That is almost half. That, in value, is at least worth—it is right at \$1,000.

If you couple that with the per-child tax credit, moving up to a \$1,000-per-child tax credit President Bush has enacted or will have enacted—and I expect it will be successful—those are the most profamily tax changes one could imagine.

When I hear this rhetoric, "Well, that only benefits the superwealthy," and so on, I don't know what they are talking about. But if people have kids and they happen to be married, they are going to be at a 15 percent tax bracket up to \$50,000—some and they are going to get a tax credit of \$1,000 per child. That is pretty generous. That is pretty profamily. So I just mention that.

The idea of eliminating the double taxation on dividends is a good idea and one I hope we will be able to pass. It is one about which, I notice, our colleague JOHN KERRY, on December 3, said:

... and we should encourage the measurement of real value of companies by ending the double taxation of dividends.

That statement was made on December 3, 2002, just about a month ago. He happens to be right.

I want to see somebody justify the value of this. What is appropriate about a corporation—I used to run one—having to pay 35 percent corporate income tax on any profits they make and then distribute those in the form of dividends to their owners, and then their owners also have to pay 30 percent or maybe even 38 percent or maybe 27 percent on top of the corporate 35?

If you add those together, you are looking at tax rates of 65, 70—over 70 percent. So if a corporation makes \$1,000 in net profit and they want to distribute that to shareholders, the Federal Government is going to get 70 percent. How does that make economic sense?

It is a real discouragement to granting dividends, to distributing the proceeds, the earnings of a corporation. It encourages just the opposite. So if you are not going to do that, what shall we do? Let's go into debt. We encourage debt. We allow companies to deduct interest. That is deductible right off the top. So the net policy of the corporation, if it wants to expand, should they borrow money or go out and have a stock offering. Time and time again they say let's go deeper into debt, and investors are taught not to invest in companies that pay dividends. Let's invest in growth companies. They are more speculative, granted, and maybe as a result you see greater inflation and a bubble in the stock market and also a greater fall.

That certainly is what happened in March of 2002. We had greatly inflated stock values and they went way up and they went way down. That is one of the